



H.R. 6074 – Gas Price Relief for Consumers Act

FLOOR SITUATION

H.R. 6074 is being considered on the floor under suspension of the rules and will require a two-thirds majority vote for passage. This legislation was introduced by Representative Steve Kagen (D-WI) on May 15, 2008. The resolution was referred to the House Committee on the Judiciary, but was never considered.

H.R. 6074 is expected to be considered on the floor of the House on May 19, 2008.

SUMMARY

Title I – No Oil Producing and Exporting Cartels Act (NOPEC)

H.R. 6074 prohibits foreign states from forming cartels or other associations to affect the market, supply, price, or distribution of oil, natural gas or other petroleum product in the United States. Under this legislation, the U.S. Attorney General is authorized to enforce this under antitrust laws.

The bill also waives the possibility of sovereign immunity for foreign states found in violation of this legislation.

**Note: The House passed similar legislation, H.R. 2264, on May 22, 2007, by a recorded vote of 345-72.*

Title II – Department of Justice Petroleum Industry Antitrust Task Force

The bill requires the Attorney General to establish a Petroleum Industry Antitrust Task Force within the Department of Justice. The Task Force will examine the existence and effects of anticompetitive and market manipulative practices conducted by oil cartels, petroleum and gasoline wholesalers, and refineries. An initial report must be delivered to Congress by December 31, 2008.

Title III – Government Accountability Office (GAO) Study

H.R. 6074 requires the GAO to conduct a study evaluating the effects of mergers addressed in consent decrees entered in the 10 years prior to the enactment of this legislation, in an enforcement action against a person engaged in the business of exploring for producing, refining, processing, storing, distributing, or marketing petroleum or petroleum products, on competition in the markets involved.

BACKGROUND

The Organization of Petroleum Exporting Countries (OPEC) was established in September 1920 to unify and coordinate members' petroleum policies. OPEC member nations include Saudi Arabia, Iran, Iraq, Kuwait, Venezuela, Qatar, Indonesia, Libya, the United Arab Emirates, Algeria, and Nigeria. These nations meet regularly to discuss prices and set crude oil production quotas. The U.S. Department of Energy estimates that the current eleven OPEC members account for about 40 percent of world oil production and approximately two-thirds of the world's proven oil reserves.

**Note: Iraqi oil production has not been a part of OPEC quota agreements since March 1998.*

COST

This legislation has not been scored by the Congressional Budget Office.

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LEGISLATIVE DIGEST

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